



EST. 1856

UTAH STATE FAIRPARK

FAIRPARK COMMITTEE HEARING

NOVEMBER 13, 2017

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- Formed strategic relationships with the Days of 47 Inc. & Days of 47 Rodeo.
- Cultivated new opportunities: We spent months securing our first tenant that would be open to the public year around. “Pats BBQ”. We made significant Lease hold improvements to accommodate their move. Unfortunately Pat Barber “Owner” suffered a major medical crisis during the Fair, forcing him to reevaluate his plans. Shortly afterwards he announced that all future plans for expansion are suspended indefinitely.

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2017 Business review

- Successfully completed the days of 47 Arena.
- Worked closely with DFCM to correct several building deficiencies.
- New roofs were installed on the Grand building, horse barn, and the livestock show ring.
- Installed energy efficient LED lighting throughout the park reducing our footprint on the environment.
- Modernized the interior of the Grand Building new paint, widow coverings and refinished the floors.

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2017 Business review

- Refurbished and painted the interior of the north food court.
- Refurbished and corrected deferred maintenance concerns in all restrooms.
- Refurbished ticket booths installed new roofs, new lighting and painted them inside and out.
- Installed three new cantilever gates to support the new arena.
- Installed internet service to new arena and WIFI to the entire Fairpark.

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EXHIBITION CENTER

- The Department of Agriculture new building at the Fairpark. The new building would provide the Department of Agriculture with badly needed new office space. And provide the Fair Corporation with indoor exhibition space.



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Department of Agriculture Building Cont.

- The addition of modern exposition space will provide the Fairpark with the ability to host commercial shows and ticketed events year around.
- The initial concept was to partner with the Department of Agriculture. Provide them with an ideal location to construct their new building. In exchange, the Fair would receive 30,000 SQ ft. of new expo space. Unfortunately the cost of construction has increased significantly. Therefore the amount of expo space has been reduced down to 9K SQ Ft.
- The project currently ranks number two on the building boards priority list.

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Update: Dept. of Agriculture Building

- Construction cost \$32,213.00-million
- Additional expo space 7 to 8 million
- Total construction cost including 30K S.Q. Ft of expo space 40 - million
- If approved the Fairpark would like to propose that the current Dept. of Agriculture property be folded into the Fairpark to accommodate future growth.

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White Ball Park

- Currently in discussions with Petrie-Richardson Ventures corporate offices in Annapolis, Maryland.
- After visiting various sites in Salt Lake City, they reached the conclusion that our White Ball Park location offered the greatest potential for a new retail development.
- A new committee made up of board members was formed to manage the project. Board member backgrounds: Director of DFCM, Lawyer, C.P.A, Commercial Realtor, Chairman of the Board.
- The developer is preparing several design concepts for us to review including finance packages. Time frame early December

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2017 Events

The Fairpark team successfully increased the number, and of events held at the Fairpark. A few notable events:

- BMW MOA
- Days of 47 Rodeo
- Vintage Whites Spring show
- Scottish Festival
- Utah Beer Festival
- Pumpkin Nights
- Warped Tour

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Delivering Economic Impact

BMW Rally

6,000 attendees

Almost exclusively

from other states!

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Delivering Economic Impact

Fairpark used for movie sets

September/October 2017

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Increased attendance

Scottish Festival

Mentors Intl.

Industry trade shows

Halloween Havoc

Over 400,000 visitors in 2017



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2017 Utah State Fair Recap

- Attendance: 257,462 attendees a decrease of (2674) over prior year.
- 10,253 Competitive Exhibits and 4,311 Exhibitors Up 1% over prior year
- Carnival ride revenue exceeded “historical best” prior day performance one day of our 11 day run. Unfortunately midway games, rides and midway food revenue was down 10.7% over prior year.

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2017 Utah State Fair Recap Cont.

- Concessions “food & Beverage” gross revenue exceeded prior year by 4.7%!
- Parking revenue was down 1.7% over prior year
- Arena event revenue up \$100,913.56 over prior year
- Total Fair Revenue \$2,705,495.37 down (\$123,467.09) over prior year.
- Total Fair expenses down (\$53,359.81) over prior year
- Net Earnings \$752,000.74

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2017 Fair revenue assumptions

- The carnival and fair industry unfortunately experienced several ride accidents in 2017. With the most publicized accident being the Ohio state Fair. The accident resulted in the death of one patron while injuring 7 others.
- Ride, carnival food and midway games were all down in 2017. We believe these accidents were fresh on the minds of our guest who simply choose to avoid the Midway area altogether.
*food sales outside of the carnival area were up.
- Earnings were negatively impacted by lower commission percentages paid to the fairpark. Beer and alcohol commissions were reduced from 35% to 23% of gross.

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2017 Fair revenue assumptions

- Rain.....we experienced heavy rain three days impacted parking, events, attendance, rides Etc. Unfortunately the heavy rain on the second Thursday left us with standing water in both parking lots which impacted parking revenue the remainder of the fair.
- Over 300 parking stalls were lost over the entire second weekend due to water puddles.

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Fairpark YTD Financial Performance

- Capital improvement spending up 100% over prior five years! The Fairpark invested \$289,735.00 in major improvements alone to the Fairpark in 2017.
- Event revenue up 62.1% over prior year \$771,820.21 versus \$476,059.40
- Gross revenue up \$666,800.57 over prior year
- Balance Sheet/Financial position up \$1,042,996.20 over prior year.

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2017 Key Learnings

- A separate VIP parking entrance and parking area is needed to meet customers expectations
- Need to develop a better way to communicate to patrons that the primary lot is full. (before they turn north on 10th west from North temple)
- We need to modify the current entrance into the parking lot allowing faster access into the lot. AND to protect guest from moving vehicles.
- An additional pedestrian entrance is needed off of 300 north. However the lot is currently gravel and am unsure if this will meet ADA requirements.
- People movers are needed to transport guest from N. temple to the arena.
- North temple gate must be modified to allow guest to purchase tickets and enter the park safely away from moving traffic on N. temple. This is currently a high risk concern.

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2018 Legislative Appropriations Request

- \$675,000.00 Base Budget plus earned credits
- \$1,103,250 to address Arena deficiencies* Note our Initial request for \$761,000 in July of 2017 did not include monies to correct safety concerns that were recently brought to our attention by risk management. Combined with other concerns that were discovered after substantial completion.

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Arena Deficiencies \$1,103,250 est.

- Mobile Concert stage \$80,000
- Floor covering for dirt floor \$180,000.00
- Jumbo Tron screens \$250,000.00
- Ventilation in concession stands \$68,000.00
- Heat in concession stands and restrooms \$225,000
- Install shade structures around concession stands \$75,000
- Install security fencing under arena "safety concern" \$30,000
- Remove pea gravel in areas, pour concrete install fencing "safety concern" \$125,000
- Install bird netting under canopy's "health concern" \$15,000
- Increase the width of the cement sidewalk west side of arena \$45,000
- Install awning in front of announcers booth. Sunlight is warping expensive sound equipment \$10,250

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2018 Request for Legislation:

- Provide the Fairpark with an annual ongoing base budget.